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C O N F I D E N T I A L CARACAS 003547

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DEPARTMENT FOR WHA A/S SHANNON FROM AMBASSADOR BROWNFIELD  
DEPARTMENT ALSO PASS TO AID/OTI (RPORTER)  
NSC FOR DFISK

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TAGS: [PREL](#) [EAID](#) [KDEM](#) [VE](#)

SUBJECT: TIME TO REDOUBLE OUR PRO-DEMOCRACY EFFORTS IN  
VENEZUELA

Classified By: AMBASSADOR WILLIAM BROWNFIELD, REASON 1.4 (D)

11. (C) Summary. We understand the Deputies Committee asked in November whether Embassy has the needed resources to promote our country team strategy. We waited until after the Venezuelan presidential election to respond. The answer is that we are grateful for all resources made available, but in light of Chavez' triumph, his aggressive post-election approach to the opposition, the incipient efforts of the opposition to build long-term infrastructure, and Chavez' own long-term vision, we need more. Embassy strategy is to strengthen democratic institutions, penetrate and divide Chavismo, and build independent society. It is working. But we confront growing inflation and an unfavorable fixed foreign exchange rate, and a systematic effort by the BRV to close traditional doors to official USG activities in Venezuela. With additional AID, military engagement, and public diplomacy funding, we could be even more proactive in promoting U.S. interests and values. The figures are not large. We get good value for little investment of resources in Venezuela. End Summary.

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USAID  
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12. (C) Post has relied on USAID's Office of Transition Initiatives as the primary funding source for democracy programs for four years, but this funding continues to be cut. The FY05 and FY06 budget for these programs was \$6.5 million and \$3.3 million, respectively. The projected budget in FY07 is expected to be less than \$3 million. We are having a palpable impact around the country with existing programs, but our impact will be significantly muted under the projected budget. The Deputies Committee approved a strategy in August 2005 that called for an additional \$10 million to expand our pro-democracy efforts outside Caracas, to promote citizen activism on national issues, and to forge alliances between non-Chavistas and Chavistas. Those funds would be welcomed.

13. (SBU) With additional resources above the \$3 million funding level in FY07, post could assist:

--- activities that foment citizen push-back to Chavez' "Bolivarian revolution;"  
--- NDI and IRI to expand their party-building efforts toward 2008 local and state races;  
--- NDI to provide technical support to domestic electoral observation;  
--- Freedom House to conduct 12 human rights events a year;

and,  
--- the Pan-American Development Foundation to help fund 15  
local human rights and government accountability watchdog  
organizations.

Without these additional funds, most of the aforementioned  
groups will have to sharply curtail their work in Venezuela.  
Civil society has been indispensable to the opposition's  
courageous efforts to challenge the increasingly autocratic  
Chavez government, but independent civil society is under  
attack and needs support.

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Military Engagement With Civil Society  
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¶4. (SBU) U.S. restrictions on military-to-military engagement  
with the Venezuelan armed forces, as well as Venezuelan  
reluctance to work with us, understandably limit our work in  
those areas. Nevertheless, we have tapped "Minute Man Funds  
(MMF)" via the State Partnership Program (SPP) with Florida  
to facilitate civilian-to-civilian cooperation. In FY06 post  
sponsored a subject matter exchange between officials from  
the Venezuelan Civilian Defense Organization, a government  
body that coordinates humanitarian and disaster response  
activities, with state and local officials in Florida.  
Embassy also supported Venezuelan officials' participation in  
the annual U.S. hurricane conference. Embassy has also been  
fostering cooperation with state and local police forces,  
firefighters, and first responders.

¶5. (SBU) We understand that the Florida National Guard  
received no direct DoD funding for civilian-to-civilian  
cooperation for FY07. Embassy will have no opportunity to  
engage the aforementioned non-traditional partners without  
this funding source. More specifically, Embassy Military

Group has proposed six new, low-cost, high-impact cooperative  
activities with willing Venezuelan civilian partners for FY07  
that cannot be funded by any other military account. We urge  
DoD to consider providing \$100,000 for Minute Man funding for  
Florida.

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Public Diplomacy  
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¶6. (C) The Chavez administration is seeking to monopolize the  
public sphere and is actively trying to restrict embassy  
access to Venezuelan government and societal interlocutors.  
Active public diplomacy is vital to contesting the Chavez'  
government's well-funded efforts to demonize the United  
States. The cost of doing business in Venezuela is high, and  
an enhanced U.S. profile would require enhanced resources.  
Embassy's Public Affairs Section (PAS) is best placed to  
raise the profile of U.S. activities, including bolstering  
our network of American Corners and Binational Centers. With  
additional resources, it can also more fully engage  
universities, broaden our appeal to young audiences, and more  
actively counter Bolivarian misrepresentation of U.S.  
policies and values.

¶7. (SBU) PAS Caracas, estimated FY 2007 program budget is  
\$150,000. Post seeks an additional \$375,000 to fund the  
following activities to reach national audiences and invest  
in youth while at the same time boosting ongoing outreach and  
cultural programs (individual estimated costs are in  
parentheses):

- An expansion of American Corners from the current 4 to 8,  
and fund the teaching of English for underprivileged  
elementary students at the Corners (\$50,000);
- To establish a fourth Binational Center (\$100,000);
- Organize visit by major U.S. contemporary art exhibit,  
prominent U.S. music figure, and/or dance company: Estimated  
cost (\$75,000);
- Develop television and radio programming highlighting  
U.S.-Venezuelan ties (\$30,000);

-- Fund five additional International Visitor grants per year (\$35,000);  
-- Broaden funding for English-language scholarships for high school youth (\$25,000):  
-- Create an undergraduate Fulbright scholarship program for minority and underprivileged students (\$40,000).

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Comment  
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18. (C) Although Chavez is crowing about launching the "next phase of the Bolivarian Revolution" from 2007 to 2021, he understands the resonance of civil society and pro-democracy forces in Venezuela. Chavez is moving directly to restrict and intimidate civil society. This is a winnable battle; with far fewer resources and competing on a precipitously uneven playing field, Zulia Governor Rosales gave Chavez a serious challenge. Chavez also fumbled his bid to win a UN Security Council seat and he had the touch of lead in 2007 elections in Peru and Mexico. With the timely injection of the right resources, the USG has a real opportunity to do even more to help Venezuelan civil society confront and counter his anti-American axis.

BROWNFIELD